

BUDGET, FINANCE & INVESTMENT COMMITTEE

June 22, 2011

5:30 P.M.

Courthouse

MINUTES

Members Present:

Comm. Charlie Baum
Comm. Joe Frank Jernigan
Comm. Will Jordan
Comm. Robert Peay, Jr.
Comm. Steve Sandlin
Comm. Doug Shafer
Comm. Joyce Ealy, Chrm.

Others Present:

Ernest Burgess
Laura Bohling
Robert Arnold
Lisa Nolen
Joe Russell
Michael Gregory
Jeff Sandvig

Others Present:

Elaine Short

Chairman Ealy presided and called the meeting to order with all members being present.

APPROVE MINUTES:

The minutes of the June 14 Budget Committee meeting were presented for approval.

Comm. Shafer moved, seconded by Comm. Peay to approve the minutes as presented.

The motion passed unanimously by acclamation.

2010-11 GENERAL FUND BUDGET AMENDMENTS

CIRCUIT COURT CLERK:

Mrs. Laura Bohling, Circuit Court Clerk, was present to request approval of the following budget amendment to provide additional funding to make repairs to the Lektriever filing system and to provide funding for the final payout on the maintenance agreement to MTR:

From:	101-53100-331 - Legal Services -	\$ 5,300
To:	101-53100-336 - Maint./Repair Equipment -	\$ 2,500
	101-53100-334 - Maintenance Agreements -	2,800

Comm. Jordan moved, seconded by Comm. Sandlin to approve the budget amendment for the Circuit Court Clerk as requested transferring \$5,300 from Account 101-53100-331, Legal Services, with \$2,500 to Account 101-53100-336, Maintenance & Repair of Equipment, and \$2,800 to Account 101-53100-334, Maintenance Agreement.

The motion passed unanimously by acclamation.

EMERGENCY MANAGEMENT:

The Finance Director requested approval of the following budget amendment for the Emergency Management Department to recognize revenue from the 2010 Homeland Security Grant and to appropriate the Grant revenue for Other Equipment:

Increase Revenue:	101-47235 - Homeland Security -	\$ 9,754
Increase Expend.:	101-54430-790 - Other Equipment -	\$ 9,754

Comm. Sandlin moved, seconded by Comm. Peay to approve the budget amendment as requested for the Emergency Management Department increasing Revenue Account 101-47235, Homeland Security, by \$9,754 and increasing Expenditure Account 101-54430-790, Other Equipment, by \$9,754.

Comm. Peay asked if the Homeland Security money had to be used for equipment, and if any of it could be used for capital such as the fire and rescue building.

Mayor Burgess advised that the Homeland Security money could not be used for capital. He explained that the Homeland Security money was very specific as to what equipment could be purchased.

Following discussion, the motion to approve the budget amendment for the Emergency Management Department as requested increasing Revenue Account 101-47235, Homeland Security, by \$9,754, and increasing Expenditure Account 101-54430-790, Other Equipment, by \$9,754 passed unanimously by acclamation.

PET ADOPTION & WELFARE SERVICES:

Mr. Michael Gregory, PAWS Director, requested approval of the following budget amendment to provide sufficient funds from the Donation Reserve Account to complete the surgical space for the veterinarian. He explained that \$65,000 had been budgeted for two to three years for the surgical space not knowing what it would actually cost. Bids have been received, and the cost to complete the surgical space was \$121,000:

From: 101-34640 - PAWS - Committed for Public Health & Welfare -	\$60,000
To: 101-55120-707 - Building Improvements -	\$60,000

Comm. Sandlin moved, seconded by Comm. Jordan to approve the budget amendment as requested for the PAWS Department amending \$60,000 from Account 101-34630-PAWS, Committed for Public Health & Welfare, to Account 101-55120-707, Building Improvements.

The motion passed unanimously by roll call vote.

Comm. Peay asked how projects were being advertised and if letters were sent to vendors who had requested to be placed on the bid list.

Mayor Burgess advised that the projects were advertised in the Murfreesboro Post, and were placed in private locations, and people who subscribed to those services knew what was being advertised. Mayor Burgess stated that he did not think that letters were being sent.

Comm. Peay suggested that notification of construction projects also be sent to the Rutherford County Homebuilders' Association.

Mr. Gregory next requested approval of the following budget amendment to provide funding to pay the accumulated leave for an employee who has terminated employment:

From: 101-55120-189 - Other Salaries & Wages -	\$4,666
To: 101-55120-105, Supervisor -	\$2,666
101-55120-187 - Overtime Pay -	2,000

Mr. Gregory advised that last month he had requested approval of a similar budget amendment for a supervisor who had resigned. He explained that the other supervisor had turned in her resignation to be effective on the same day as the other supervisor.

Comm. Jordan moved, seconded by Comm. Peay to approve the budget amendment for the PAWS Department as requested transferring \$4,666 from Account 101-55120-189, Other Salaries & Wages, with \$2,666 to Account 101-55120-105, Supervisor, and \$2,000 to Account 101-55120-187, Overtime Pay.

The motion passed unanimously by acclamation.

UNEMPLOYMENT COMPENSATION:

The Finance Director requested approval of the following budget amendment to provide sufficient funding for the Unemployment Compensation to complete the fiscal year:

From: 101-54110-210 - Sheriff's Dept./Unemployment Compensation - \$ 1,720

To: 101-51500-210 - Election Commission/Unemployment Comp. - \$ 120
101-55120-210 - PAWS/Unemployment Compensation - 1,600

Comm. Sandlin moved, seconded by Comm. Peay to approve the budget amendment for the Unemployment Compensation as requested transferring \$1,720 from Account 101-54110-210, Sheriff's Department/Unemployment Compensation, with \$120 to Account 101-51500-210, Election Commission/Unemployment Compensation, and \$1,600 to Account 101-55120-210, PAWS/Unemployment Compensation.

The motion passed unanimously by acclamation.

HOTEL/MOTEL TAX, STONES RIVER GREENWAY, CHAMBER OF COMMERCE:

The Finance Director requested approval of the following budget amendment to recognize additional revenue anticipated from the Hotel/Motel tax and to appropriate 10% for the Stones River Greenway and 30% for the Chamber of Commerce per Resolution adopted by the County Commission on June 27, 2002:

Increase Revenue: 101-40220 - Hotel/Motel Tax - \$65,000

Increase Expend.: 101-56700-316 - Parks & Fair Boards/
Contributions - \$ 6,500
101-58110-316 - Tourism/Contributions - 19,500

Increase Unassigned Fund Balance: 101-39000 - \$39,000

Comm. Peay moved, seconded by Comm. Shafer to approve the budget amendments increasing the Hotel/Motel Tax as requested increasing Revenue Account 101-40220, Hotel/Motel Tax, by \$65,000; and increasing Expenditure Account 101-56700-316, Parks & Fair Boards/Contributions, by \$6,500 and Expenditure Account 101-58110-316, Tourism/Contributions, by \$19,500, with an increase to the Unassigned Fund Balance of \$39,000.

The motion passed unanimously by acclamation.

MISCELLANEOUS:

The Finance Director requested approval of the following budget amendment to provide funding for a consultant to develop the specifications that will be used in the RFP for the communications consoles:

From: 101-58900-506 - Liability Insurance - \$12,000

To: 101-58900-308 - Consultants - \$12,000

Chairman Ealy advised that the motion would also need to include permission for the mayor to enter into a contract.

Comm. Peay asked why the request was coming from the mayor instead of the Sheriff's Department, the Ambulance Service, or Emergency Management.

Mayor Burgess advised that he was requesting to expedite the process. He advised that there had been ongoing discussions with the Sheriff's Department for several months regarding the replacement of their dispatch consoles. He stated that the ongoing discussions had also included the 911 Board and EMS. Mayor Burgess advised that the 911 Board had funded the first piece of this. He stated that they had spent about \$20,000 with the same company to get to a point as to how to proceed with respect as to what type of equipment needed to be installed for the long term. The equipment needs to be compatible with the EMS equipment when EMS gets to the

point of acquiring new equipment, and with the 911 equipment when they upgrade their equipment.

Mayor Burgess explained that the Sheriff's Department, 911 and EMS had agreed on the concept of what needed to take place. He advised that the system would be highly sophisticated and technical, and the agencies did not think that they were properly equipped to write the specifications for an RFQ. Mayor Burgess advised that the L. R. Kimball Company had already done a substantial amount of work on the system, he wanted to use them to write the specifications. He stated the selection of a company would be done with the assistance of the L. R. Kimball Company.

Mayor Burgess advised that the 911 Board had approved a grant of \$215,000 to pay for the hardware that would need to be purchased.

Mayor Burgess advised that it was important to acquire the proper equipment that would function properly and provide flexibility so that in the future there would be compatibility and backup and redundancy for the various agencies.

Mayor Burgess requested approval of a contract with the L. R. Kimball Company in the amount of \$17,366 for telecommunications and related technology services for the communications center at the Sheriff's Department.

Following discussion, Comm. Sandlin moved, seconded by Comm. Shafer to approve the budget amendment as requested transferring \$12,000 from Account 101-58900-506, Liability Insurance, to Account 101-58900-308, Consultants, and to authorize the County Mayor and any other necessary officials to execute a contract with the L. R. Kimball Company in the amount of \$17,366.

The motion passed unanimously by roll call vote.

2010-11 DRUG CONTROL FUND BUDGET AMENDMENT:

Sheriff Robert Arnold and Chief Deputy Joe Russell requested approval of the following 2010-11 Drug Control Fund budget amendment to provide funds to purchase a vehicle for the Narcotic Unit:

From: 122-54150-319 - Confidential Drug Enforcement -	\$10,000
122-54150-196 - In-Service Training -	1,500
122-54150-338 - Maint./Repair Vehicles -	4,860
122-54150-451 - Uniforms -	500
122-54150-499 - Other Supplies/Materials -	1,500

To: 122-54150-718 - Motor Vehicles -	\$18,360
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Comm. Sandlin moved, seconded by Comm. Jordan to approve the budget amendment for the Drug Control Fund as requested transferring \$10,000 from Account 122-54150-319, Confidential Drug Enforcement, \$1,500 from Account 122-54150-196, In-Service Training, \$4,860 from Account 122-54150-338, Maintenance & Repair Vehicles, \$500 from Account 122-54150-451, Uniforms, and \$1,500 from Account 122-54150-499, Other Supplies & Materials, with a total of \$18,360 to Account 122-54150-718, Motor Vehicles.

The motion passed unanimously by roll call vote.

2011 JUSTICE ASSISTANCE GRANT (JAG) PROGRAM:

Mayor Burgess requested approval to apply for the 2011 Justice Assistance Grant (JAG) with the City of Murfreesboro. He explained that for several years the Sheriff's Department and the City of Murfreesboro Police Department have shared the grant award from the Edward Byrne Memorial Justice Assistance Grant with the City of Murfreesboro overseeing the grant. The total

amount of the grant was \$75,865 with the City of Murfreesboro Police Department receiving \$37,933, and the Rutherford County Sheriff's Department receiving \$37,932. The grant proceeds will be used for equipment with no local match required. Mayor Burgess advised that in order to receive the award and share the funds the City must enter into a Memorandum of Understanding with Rutherford County.

Comm. Peay moved, seconded by Comm. Shafer to approve a Resolution and forward the same to the County Commission authorizing the County Mayor and any other appropriate officials of Rutherford County to enter into an Interlocal Agreement with the City of Murfreesboro to share the 2011 Edward Byrne Memorial Justice Assistance Grant for the total amount of \$75,865 with the City of Murfreesboro Police Department receiving \$37,933 and the Rutherford County Sheriff's Department receiving \$37,932 with the City of Murfreesboro serving as the Fiscal Agent.

The motion passed unanimously by acclamation.

2010-11 GENERAL PURPOSE SCHOOL FUND BUDGET AMENDMENTS:

Mr. Jeff Sandvig, Assistant Superintendent, requested approval of the following 2010-11 budget amendments recognizing revenue of \$5,000 for a donation for the Smyrna West Alternative School and the related \$5,000 for computers; and to reallocate \$7,000 to Other Student Support clerical staff, Account 72130-166, from Special Education bus aides, Account 72130-164, to cover anticipated expenditures for clerical staff:

Increase Revenue:	141-44570 - Contributions & Gifts -	\$5,000
Increase Expend.:	141-71150-790 - Other Equipment -	\$5,000
From:	141-72130-164 - Special Ed. Bus Aides -	\$7,000
To:	141-72130-162 - Clerical Personnel -	\$7,000

Comm. Sandlin moved, seconded by Comm. Jordan to approve the 2010-11 General Purpose School Fund budget amendments as requested recognizing additional revenue of \$5,000 to Account 141-44570, Contributions & Gifts, and increasing Expenditure Account 141-71150-790, Other Equipment, by \$5,000; and transferring \$7,000 from Account 141-72130-164, Special Education Bus Aides, to Account 141-72130-162, Clerical Personnel.

The motion passed unanimously by acclamation.

DEAD STOCK REMOVAL SERVICE AGREEMENT:

Mayor Burgess requested approval of a Dead Stock Removal Service Agreement with Appertain Corporation, South Central Tennessee Development District in the amount of \$33,007.52 for a term of 12 months beginning July 1, 2011.

Comm. Peay asked if the contract included picking up deer.

Mayor Burgess stated that he would clarify that.

Comm. Jordan moved, seconded by Comm. Peay to authorize the County Mayor to execute a contract with Appertain Corporation, South Central Tennessee Development District, for dead stock removal service at a cost of \$33,007.52 for a 12 month term beginning July 1, 2012.

The motion passed unanimously by acclamation.

2011-12 BUDGET REVIEW:

The Finance Director distributed and analysis of the distribution of the 2011-12 property tax levy based upon the new allocation.

The Finance Director also distributed a Statement of Operations and Estimated Change in Fund Balance with estimated revenue for the General Fund being \$70,401,795 and recommended appropriations being \$73,535,831. The appropriations exceed the estimated revenue by \$3,134,036. The estimated change to the committed and restricted fund balances was \$950,000, and the change to the Assigned and Unassigned Fund Balances was \$2,184,036. The estimated Assigned and Unassigned Fund Balances at June 30, 2012 was \$13,015,964, which was 17.7% of appropriations.

The total estimated revenue for all funds was \$428,395,470, and the recommended appropriations for all funds were \$444,727,326.

2011-12 PROPERTY TAX LEVY:

A Resolution authorizing the property tax levy for Rutherford County for the Fiscal Year beginning July 1, 2011 was presented for approval as follows:

General Fund	\$.5840
Ambulance Service Fund	.0829
Highway Fund	.0140
General Purpose School Fund	1.1430
Education Capital Projects Fund	.0451
Debt Service Fund	.5962
Total	\$2.4652

Chairman Ealy advised that Section Two detailed how the Business Tax was distributed. Section Three dealt with the sales tax revenue and how it was allocated. Section Four explained the distribution of the Wheel Tax Revenue. Section Five explained the Development Tax allocation. Section Six explained the distribution of interest earned on idle funds.

Comm. Shafer moved, seconded by Comm. Peay to approve the tax levy of \$2.4652 for Rutherford County for the Fiscal Year beginning July 1, 2011 with \$.5840 being allocated for the General Fund; \$.0829 being allocated for the Ambulance Service Fund; \$.0140 being allocated for the Highway Fund; \$1.1430 being allocated for the General Purpose School Fund; \$.0451 being allocated for the Education Capital Projects Fund; and \$.5962 being allocated for the Debt Service Fund.

The motion passed unanimously by roll call vote.

2011-12 APPROPRIATION RESOLUTION:

Chairman Ealy presented the 2011-12 Appropriation Resolution for approval making appropriations for the various funds, departments, institutions, office and agencies of Rutherford County for the Fiscal Year beginning July 1, 2011 and ending June 30, 2012 with the recommended appropriations for the General Fund totaling \$73,535,831; Industrial/Economic Development Fund - \$244,510; Solid Waste/Sanitation Fund - \$3,677,571; Ambulance Service Fund - \$10,687,049; Special Purpose Fund - \$20,087; Drug Control Fund - \$760,712; Highway Fund - \$9,329,445; General Purpose School Fund - \$266,900,044; Central Cafeteria Fund - \$15,696,600; Education Capital Projects Fund - \$2,423,064; and Debt Service Fund - \$61,452,413.

Comm. Sandlin moved, seconded by Comm. Jordan to approve the Resolution and forward the same to the County Commission making appropriations for the various funds, Departments, Institutions, Offices and Agencies of Rutherford County for the Fiscal Year beginning July 1, 2011 and ending on June 30, 2012 as presented.

The motion passed unanimously by roll call vote.

OTHER BUSINESS

Chairman Ealy advised that at the Purchasing Committee on June 21 bids were received for the long-term disability. A sub-committee met and narrowed the two finalists to Cigna and Lincoln Financial. The Purchasing Committee voted to accept the work of the Insurance Director and the sub-committee. That recommendation will go to the Insurance Committee, which meets on Thursday, June 23 at 1:00 P.M. Normally, the action of the Insurance Committee is forwarded to the Budget Committee, but there is not enough time, because the County Commission meets Monday morning, June 27. She made the committee aware that the recommendation of the Insurance Committee would be presented at the County Commission on Monday, June 27, but it would not have gone through the committee process.

NOTE: After the Budget Committee met, the Insurance Director advised that this item could wait until the August, 2011 meeting, as the new long-term disability contract would not go into effect until January 1, 2012.

ADJOURNMENT:

There being no further business to be presented at this time, Chairman Ealy declared the meeting adjourned at 6:08 P.M.

Elaine Short, Secretary